

Message Text

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47

ACTION NEA-10

INFO OCT-01 ISO-00 USIE-00 EB-07 COME-00 TRSE-00 SSO-00

NSCE-00 INRE-00 MC-02 CIAE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 /060 W

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FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC NIACT IMMEDIATE 5601

INFO SECDEF WASHDC IMMEDIATE

/CNO WASHDC

USCINCEUR VAIHINGEN GER

C O N F I D E N T I A L TEHRAN 1562

E.O.11652: GDS

TAGS: MILI, IR

SUBJ: GRUMMAN AGENTS PROBLEM

REF: TEHRAN 00378 (DTG 150520Z JAN 76)

1. IRANIAN PRESS, IN FEBRUARY 15 ARTICLES REPORTING GENERAL TOUFANIAN'S PRESS/RADIO/TV CONFERENCE AND IN BACKUP EDITORIALS, BLASTS GRUMMAN OVER USE OF AGENTS IN F-14 SALE. BANNER HEADLINES STATE, "WE WON'T BE ROBBED, IRAN WARNS GRUMMAN. VICE MINISTER OF WAR REVEALS \$210 MILLION QUERY IN F-14 SALES VIOLATION," (KAYHAN INTERNATIONAL) AND "WE WILL DRAW OVERPAID MONEY OUT OF THE FOREIGNERS' THROATS," (ETTALA'AT). LENGTHY ARTICLES RELATE GOI CHARGES AGAINST GRUMMAN'S CONTRACTS WITH LAVI BROTHERS AS AGENTS, VIOLATIONS OF DOD REGULATIONS AND UNACCEPTABLE GRUMMAN-GRUMMAN INTERNATIONAL CONTRACT CALLING FOR \$210 MILLION IN FEES. "GRUMMAN AFFAIR A CLEAR WARNING TO ARMS DEALERS" SUMS UP KAYHAN EDITORIAL. AS MUCH OF THIS INFORMATION IS ALREADY KNOWN TO WASHINGTON OFFICIALS, WE WILL NOT REPEAT DETAILS. COPIES OF ENGLISH LANGUAGE PAPERS POUCHED TO NEA/IRN AND DSAA TODAY.

2. WE HAVE REASON TO BELIEVE THAT TOUFANIAN PRESS

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CONFERENCE AND HEAVY IRANIAN PUBLICITY WERE PROMPTED BY DENIAL LAST WEEK IN U.S. PRESS BY GRUMMAN CHAIRMAN

BIERWIRTH THAT COMPANY HAD AGREED TO REPAY \$28 MILLION IN AGENTS FEES TO GOI. WE KNOW THAT TOUFANIAN HAD THAT INFORMATION PRIOR TO HIS AUDIENCE WITH THE SHAH ON FEBRUARY 12 AND ASSUME THAT MEETING WITH PRESS WAS AUTHORIZED BY SHAH. GOI ATTACK ON GRUMMAN IS STRONGEST YET AND BLUNT MESSAGE THAT IRAN EXPECTS REPAYED RESTITUTION OF WHAT IT CONSIDERS ARE IMPROPER FEES.

3. ONCE AGAIN WE UNDERSCORE DAMAGE THAT PERSISTING GRUMMAN AGENTS PROBLEM IS CAUSING U.S. RELATIONS WITH IRAN AND COMMERCIAL PROSPECTS OF OTHER AMERICAN COMPANIES SEEKING BUSINESS HERE. WOULD APPRECIATE STATUS REPORT ON ACTIONS TAKEN IN RESPONSE TO REFTTEL.

4. GRUMMAN REPRESENTATIVE HAS JUST INFORMED US THAT LAVI BROTHERS HELD PRESS CONFERENCE WHICH IS REPORTED IN NEW YORK TIMES FEBRUARY 15 AND WHICH "NAMES BIG NAMES." PLEASE CABLE TEXT.
HELMS

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NNN

Message Attributes

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